

STATEMENT OF THE HONORABLE

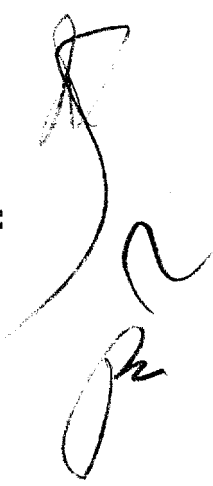
WILLIAM P. ROGERS

SECRETARY OF STATE

BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE

April 17, 1972

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Mr. Chairman, Distinguished Members of the Committee:

I am here today to seek this Committee's support for the President's fiscal 1973 funding requests for security assistance, the international narcotics control program, and South Asian relief.

Mr. Chairman, for Fiscal 1973, I am asking your support for the authorization of \$780 million for grant military assistance, \$527 million in foreign military sales credits, and \$844 million for security supporting assistance.

This requirement was developed within the Executive Branch and approved by the President prior to final Congressional action on the Administration's fiscal 1972 request. Our fiscal 1973 request does not compensate for the reduced sums authorized and appropriated by the Congress for the current fiscal year. As the President has stated, the funds appropriated for security assistance were inadequate for the

purposes which we are seeking to achieve. Many important country programs have had to be cut back drastically. These reductions have impaired the effectiveness of the Nixon Doctrine. Assistant Secretary Marshall Green, during his recent trip to East Asia found that the leaders of many countries now question, not the President's desire to provide adequate assistance in support of their legitimate self-defense needs, but whether this assistance will in fact be forthcoming.

The funds we seek will help to build local defense capabilities. In placing greater reliance on local forces, this approach will mean a correspondingly less potential need for direct U.S. military involvement. And it will bring the time closer when even our security assistance can be reduced.

-- The progress of the Vietnamization program, despite the renewal of North Vietnamese aggression, has permitted us to withdraw virtually all of our ground combat troops.

-- Our assistance to Cambodia has helped the Khmer Government develop and support a light infantry force which has resisted the North Vietnamese and Viet Cong invasion, and has diverted and complicated North Vietnamese efforts against South Vietnam.

-- We have 20,000 fewer troops in Korea than we had two years ago, and the Koreans themselves have assumed primary responsibility for the defense of the entire demilitarized zone.

-- Our security assistance has helped to maintain the delicate military balance in the Middle East. And although the arms balance may not be a guarantee of peace, it is a deterrent to war.

-- Our assistance to Greece and Turkey has been an important ingredient in our close cooperation with both countries in the security field and has enhanced their ability to perform their assigned roles in NATO's military defense planning.

While many of the nations we seek to assist still require our material support, the nature of our relationship is changing. Our friends and allies now are determining their own security requirements, are doing more of their own military planning, are assigning priorities in terms of economic and military resources, and are developing plans for their own defense self-sufficiency. They know and we have told them that our basic objective, consistent with our security interests and obligations, is to get out of the grant military assistance business as soon as we can.

Let me turn to our specific fiscal 1973 request.

For Vietnam, we are requesting \$585 million in security supporting assistance earmarked mainly for economic stabilization and war relief activities and for expanded economic development. A significant part of this request is for requirements that previously were met by expenditures from the DOD budget.

Mr. Chairman, as the Committee knows, South Vietnamese forces are now engaged in the courageous battle to defend their country. The North Vietnamese, while cynically calling for meetings at the conference table, prepared and launched a massive invasion of South Viet-Nam. All but one of their thirteen combat divisions is currently operating outside of North Vietnamese territory, and nearly all of these are engaged in attacks against South Vietnam.

In Military Region I, in the north of the country, the North Vietnamese have invaded directly across the Demilitarized Zone, using heavy tanks, artillery, and massed anti-aircraft weapons of the most sophisticated types.

In Military Region II, in the Central Highlands, two more divisions of North Vietnamese troops, attacking from Laotian territory, are pressing hard against the defenders of two provincial capitals.

In Military Region III, not far from Saigon, the North Vietnamese, again using heavy and sophisticated offensive equipment, have invaded from Cambodian soil.

These attacks have dropped the pretense that this war is in any sense a "popular uprising" and have exposed it as a naked aggression of the most flagrant type.

The South Vietnamese have risen to the challenge; they have demonstrated their determination to resist aggression. They deserve, now more than ever, our steadfast help and encouragement.

Our proposed \$50 million program for Laos will be primarily for economic stabilization and refugee relief and resettlement operations.

The bulk of the \$225 million requested for military assistance for Cambodia will continue to finance required ammunition, light combat equipment, and much-needed training. Another \$75 million in supporting assistance will help meet the needs of a war-disrupted economy and help to replace some of the resources denied the Cambodian people by NVA/VC military operations.

The largest single grant military assistance request, \$235 million, is to continue to support the Republic of Korea's five-year modernization program. Given adequate funds we expect the program to be completed in 1975. We

then expect Korea to meet the bulk of its defense needs through the Foreign Military Sales program.

In the Middle East, in the absence of a peace settlement, we must continue to provide assistance to Israel and friendly Arab countries. This assistance contributes to the military stability which is an essential condition for progress toward an Arab-Israeli peace.

The armed forces of Greece and Turkey need further modernization to enhance the effectiveness of their contributions to NATO's strength. Neither country is yet able to dispense with our assistance. However, Greece's rapid economic strides have made it possible for us increasingly to substitute credit for grants. With Turkey's economy considerably strengthened, we believe it possible that Turkey will be able over a period of time to make a transition from grant military assistance to credits.

We are proposing two amendments directly aimed at accelerating the transition of countries from grant military assistance to sales.

The first amendment which we are proposing extends the repayment period for Foreign Military Sales credits from 10 years to 20. This will allow the sale of military

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equipment on a more favorable basis and thereby relieve the balance-of-payments pressures which recipients experience. But more importantly, longer repayment periods will allow us to accelerate our program for moving countries from grant Military Assistance programs to Sales programs. The transfer of a country from grant assistance to sales on military equipment encourages the recipient countries to review priorities and make the hard decisions between military and other requirements within their own budgets.

Second, we are requesting that the Congress increase the ceiling on military grant materiel and sales programs to Latin America from \$100 million to \$150 million. Latin American nations, with World War II and Korean War vintage equipment, wish to modernize their inventories. If U.S. equipment is not available, Latin American countries will go elsewhere -- in recent years they have spent some \$800 million for European arms. Recent Latin American military expenditures average only about two percent of gross national product. We want to be responsive to reasonable requests for force modernization, and we believe that important political and economic advantages will result from an increase in the regional ceiling.

Finally, we are proposing the repeal of Section 514 of the Foreign Assistance Act. This section imposes a requirement that is contrary to the basic purpose of grant MAP programs, cuts across our desire to encourage recipients to assume a greater share of their defense responsibilities and inhibits their movement from grant programs to credit programs.

With the help of Congress, we have taken an important step to improve the management of our security assistance programs. The Foreign Assistance Act of 1971 authorized a new position, an "Under Secretary of State for Coordinating Security Assistance Programs." The President has just nominated Curtis W. Tarr for this important position. Under his guidance I am confident that we can improve the integration of our security assistance.

Mr. Chairman, I now turn to the international aspects of the drug abuse problem, which has caused an inordinate amount of human suffering and social dislocation in the United States. To combat it, the President has organized an all-out effort, of which the International Narcotics Control Program, for which we are requesting \$42.5 million for fiscal 1973, is an essential element. This program is supervised by the President's Cabinet Committee on



International Narcotics Control of which I am Chairman. It complements the domestic programs undertaken by Dr. Jaffe's Special Action Office for Drug Abuse Prevention and by Myles Ambrose's Office for Drug Abuse Law Enforcement. Nothing less than a comprehensive and coordinated attack on all fronts will be sufficient to overcome this critical problem.

We knew at the outset of our planning that many nations did not regard the drug abuse problem as seriously as we did. The first part of our program involved intense diplomatic efforts to persuade other governments of the need for cooperative action and to mobilize their support. Our top narcotics officials and the President himself have joined with the Department of State in this effort. Our diplomatic posts in over 50 nations which are important producing areas, refining sites, or transiting routes have prepared Narcotics Control Action Plans. These plans will be the basis for bilateral negotiations with each country; our goal is to begin implementing all the plans within six months. In nations where bilateral joint efforts are already underway -- for example, France, Laos, Mexico, Thailand, and Turkey -- we have received excellent cooperation. We will need your support to expand our effort.

I should also like to call your attention to the increasing role of the United Nations in the international drug control effort. With broadened financial support the United Nations Fund for Drug Abuse Control is becoming increasingly active in organizing control programs in critical areas. The recent Conference to amend the Single Convention on Narcotic Drugs was a singular example of international cooperation on the narcotics issue, adopting by a vote of 71-0 (with 12 abstentions) a reinforcing protocol already signed subject to ratification by 41 nations. Moreover, more than 20 nations are at various stages of ratifying, and three countries have ratified, the Convention on Psychotropic Substances now under consideration by your Committee.

I know that the Congress fully shares our interest in controlling the flow of illicit narcotics and I deeply appreciate your constructive efforts to support and improve the program. Our preliminary indications are that the international and domestic efforts are beginning to have an impact and with your help we expect by the end of the year to have registered even more significant progress.

Mr. Chairman, our final authorization request is for \$100 million as the contribution to the international

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effort in South Asia. The government of Bangladesh is facing enormous problems of relief and reconstruction. For fiscal 1972, the Congress appropriated \$200 million for South Asian relief. We have already committed over \$71 million of that amount for priority non-food items and we have also made available nearly \$73 million under PL 480 to meet immediate requirements. We are urgently considering additional assistance to Bangladesh as part of the coordinated effort directed by the United Nations.

The World Bank is completing an assessment of requirements in the area. Hence, it is still too early to determine accurately overall needs, and our \$100 million request reflects only a preliminary assessment of future requirements.

Mr. Chairman, the proposals for which I am asking your support are premised upon a view of the world as it is today -- not upon what it was in the past. Our role has changed dramatically, but it is still significant and we must continue to discharge our responsibilities. I urge your Committee's support for these authorization requests.